

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

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## CONVENTION DISCUSSIONS TO CENTER ON PROBLEMS OF NATIONAL DEFENSE

### Officials from Army, Wage and Hour Division and Defense Commission to Speak

National defense as it affects the canning industry will be the principal subject of discussion at general sessions of the annual convention of the National Canners Association at the Stevens Hotel in Chicago the week of January 19. Speakers at the general sessions will include Lt. Col. Paul P. Logan, chairman of the Food Committee in the Commodities Division of the Army and Navy Munitions Board; Douglas C. MacKeachie, Assistant Coordinator of Defense Purchases, Advisory Commission to the Council of National Defense; Dr. Samuel C. Prescott, Dean of Science, Massachusetts Institute of Technology; Col. Philip B. Fleming, Administrator of the Wage and Hour Division of the Department of Labor; Judge J. Harry Covington, Association Counsel; Dr. Neil Carothers, Dean of the School of Business Administration, Lehigh University; and H. F. Krimendahl, President of the Association.

As a direct aid to canners who want to get first-hand information on government purchasing methods, an office will be maintained at the Stevens Hotel on Monday to Thursday, inclusive, where canners may consult representatives of the Coordinator of Purchases and of the War Department. Mr. MacKeachie, Colonel Logan, and Mr. John L. Baxter, recently named liaison between the Quartermaster Corps of the Army and the canning industry, will be present to confer with those seeking information.

### General Sessions on Monday and Tuesday

While the general sessions on Monday morning and afternoon and Tuesday morning will be devoted chiefly to national defense and related topics, the program will also include a number of meetings and conferences to take up other subjects of interest to canners. On Tuesday and Wednesday afternoons there will be two series of conferences, one series dealing with raw products and the other with canning problems. A home economics conference is scheduled for Wednesday morning, and a round-table conference on cannery waste disposal will also be held that morning. Three of the commodity sections are expected to hold meetings—the Pitted Red Cherry Section, the Meat Section, and the Dry Bean Section. The days for these meetings will be selected so as to avoid, so far as possible, any conflict with other convention events.

The subjects for discussion at the conferences on canning problems to be held on Tuesday and Wednesday afternoons will be selected with a view to current interest. There will be discussion of new findings on tomato juice manufacture and attention will be given to problems relating to other juices.

Discussion leaders will be requested to prepare summaries of their comments that can be published in trade papers, but aside from these statements no reports will be made of discus-

sion from the floor. The informality that has characterized previous canning problems conferences will be maintained. Questions that are pertinent to the subjects discussed may be raised at the time of the conferences.

### Research Laboratories' Office Open for Discussions

An office at which individual canners may consult members of the staffs of the Research Laboratories will be open on the third floor of the Stevens from Monday to Thursday, inclusive. This will enable canners to discuss their individual problems at their convenience during convention week.

At the conferences on canners' crop problems on Tuesday and Wednesday afternoons, subjects for discussion will include soils, soil fertility maintenance, and use of "quick tests" of plant tissue and soils for plant nutrients; behavior of new sweet corn hybrids in 1940; varieties of lima beans,

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## ARMY ADOPTS NEW PURCHASE POLICIES

### Buying Offices To Be Set Up in San Francisco, Chicago, and New York

Donald M. Nelson, Coordinator of National Defense Purchases, made public this week new purchasing policies adopted by the Quartermaster Corps of the United States Army on the recommendation of the National Defense Advisory Commission.

The new policies include central buying offices to be set up in San Francisco, for procurement of West Coast products including canned fruit and canned salmon; in Chicago, where all canned meats, vegetables, and flour will be purchased; in New York to handle the buying of coffee, sugar, tea, spices, preserves, and many manufactured food items. These policies were outlined in a speech given December 9 by Douglas C. MacKeachie, Assistant to the Coordinator, before the Maine Canners Association.

Mr. MacKeachie also announced that Federal specifications for canned foods are being simplified and brought up to date. Work is under way to provide for inspection and acceptance of canned foods by Army inspectors before the goods are shipped from the warehouse. Plans are being worked out to increase the production of No. 10 cans in certain varieties, both for ease in handling and to save tin.

Mr. MacKeachie's statement follows:

"With the rapid expansion of the Army from its old peace-time size, the problem of furnishing it with food becomes a very important one. It is essential that the Army be able to obtain foods of good quality at fair prices and at the same time that the least possible disruption be caused to civilian trade and prices. The movement of these purchases from point of origin to point of use must be quick and smooth. With the Army soon to become one of the largest food buyers in the Nation, Army procurement methods must be adequate to meet the problem.

"The Quartermaster General, with the advice of the Coordinator of National Defense Purchases, has prepared such a plan and is taking rapid steps to see that it is carried out. Central buying offices will be set up in San Francisco, for the procurement of West Coast products, including canned fruits and canned salmon; in Chicago, where all canned meats and vegetables, flour, cereals, etc., will be purchased; and in New York to handle the buying of coffee, sugar, tea, spices, preserves, and many manufactured food items. These offices will receive requisitions from the various Army Corps Areas, contract for these requirements and arrange for shipments against these contracts. The central buying offices will keep constantly informed of the supply and market prices of the items which they buy. So far as is possible, taking into consideration conditions which affect all Government purchasing, ordinary commercial practices will be followed.

"The Army will buy large quantities of canned foods and the canners will want Army business. Obviously it is desirable, both for the Army and for the canners, that everything possible be done to make it practical to do business together. Lieutenant Colonel Logan, Chief of Subsistence, Supply Division, Quartermaster Corps, will meet with the canners at the convention at Chicago in January. The canners have selected a representative, Mr. John L. Baxter, whom you all know, to assist in this work. He is now occupying a desk in the office of the Chief of Subsistence of the Quartermaster Corps. To that end a study of Army contracts, specifications and purchasing methods has been made. The National Canners Association was asked to call together a representative body of canners to join in this study, and to point out divergences from commercial practices which might hinder all canners, or even some canners. It is desirable to spread the Army business as widely as possible. This group of canners suggested various changes which would effect closer conformity between Army and commercial buying practices. These changes are being considered and where practicable are being made.

"Work is being done on simplifying and bringing up to date the Federal specifications for canned foods. Plans are going forward to provide for inspection and acceptance of canned foods by Army inspectors before the goods are shipped from factory or warehouse. The effect of the provisions in regard to performance bonds on canners' selling to the government is being studied. Plans are well under way to provide for purchasing major items in straight carload lots. Attention is being given to the canners' position in relation to the Walsh-Healey Act.

"Plans are being considered for the production of number ten cans in certain varieties, both because they are handier than other sizes and because only half as much tin is needed when food is bought in cans of this size.

"The Army will want to buy large quantities of canned foods. It realizes that obstacles between buyer and seller hamper the buying-selling operation and make it more difficult and more costly. The Army will do everything reasonable to remove these obstacles. It is hardly necessary to point out to the canners that they have not only a patriotic but also a plain human duty to see that the Army gets the best of quality of the grades purchased at reasonable prices. It is our own boys who are going to eat these canned foods and it is our own government which is going to buy them. The canners have a fine record from 1917-18 to live up to, and there is no doubt but that they will."

### October Canned Food Exports Under 1939

Total United States exports of canned foods in October, 1939, were only slightly more than one-fourth of the October, 1939, figures.

## CONVENTION DISCUSSIONS TO CENTER ON PROBLEMS OF NATIONAL DEFENSE

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beets, and carrots; and production of asparagus for canning. The meetings will be informal in character and take the form of round-table discussion. Discussion leaders will be research men, each of whom is noted for outstanding achievement in his field of work.

In addition to the scheduled conference topics, a "question hour" period will be provided each day at which any canner or field man may bring up questions on other crops or on problems of disease or insect control not included in the program. These questions will be handed in at the beginning of each conference period and will be answered so far as possible during the question period following the programmed topics.

Among the speakers at the home economics conference will be Mrs. Ida Migliario of *Household Magazine*, Topeka, Kansas, and Miss Mary Mason, director of the Home Forum of WRC, a National Broadcasting Company station at Washington, D. C. Arrangements are under way for additional speakers. The general subject of the conference will be the part that canned foods can play in the defense program.

The round-table conference on cannery waste disposal on Wednesday morning will be conducted principally as a clearing house for questions that canners will present, but attention will also be given to recent work with recirculating filters, nitrate treatment for lagooned waste, and other developments. The interest shown at last year's conference is suggestive that there will be a good attendance and that the discussions will be of general interest.

### Election of Officers on Monday Morning

Election of officers of the Association will take place at the opening session on Monday, and the new officers will be installed at the close of the general session on Tuesday morning. The Board of Directors will meet, as usual, on the day preceding the opening of the convention.

Requests for room reservations indicate an unusually large attendance at the conventions of the allied associations. With numerous other organizations meeting in Chicago during the week, that city will be the scene of the largest annual gathering of representatives of the food industry and trade.

Headquarters and registration booths of the National Canners Association and the Canning Machinery and Supplies Association will be at the Stevens Hotel. The National Food Brokers Association's headquarters will be at the Palmer House. The National American Wholesale Grocers Association will hold its meeting at the Drake Hotel. A room directory will be published containing the names of firms and individuals for whom reservations have been made through the three allied associations, and in this directory there will also be included the reservations for members of the National American Wholesale Grocers Association at the Drake Hotel.

### Machinery Exhibits at Stevens Hotel

The exhibit by the Canning Machinery and Supplies Association at the Stevens Hotel will be held in the Machinery Hall, Grand Ballroom, Grand Ballroom Annex and Foyer and East and West Lounges, and the Third Floor Annex. It will be open from noon to 6 p. m. on Monday and Tuesday; from 9 a. m. to 6 p. m. on Wednesday and Thursday; and from 9 a. m. to 2 p. m. on Friday.

The Old Guard reception and dinner will be held on Sunday evening; the Young Guard meeting and dinner on Monday evening; and the annual dinner dance on Wednesday evening. On Thursday evening the American Can Company will again be the host at a theater party at the Chicago Theater.

### Merit-Rating Provisions in State Unemployment Compensation Laws Attacked by National Conference

In a resolution favoring the liberalization of unemployment compensation statutes, the merit-rating provisions of such statutes were attacked this week by the Seventh National Conference on Labor Legislation. The annual three-day conference, called by Secretary of Labor Perkins, was attended by representatives appointed by the governors of most of the States.

The resolution adopted by the conference on the subject of unemployment compensation reads as follows:

"WHEREAS the present unemployment compensation program falls short of the purposes for which it was designed in that the amount and duration of benefits now provided are inadequate to meet the needs of unemployed workers; and

"WHEREAS the English experience has clearly demonstrated that liberalization and extension of the unemployment insurance program serves materially to strengthen national defense efforts; and

"WHEREAS merit rating provisions in State unemployment compensation laws have been detrimental to the interests of unemployed workers;

"NOW THEREFORE BE IT RESOLVED that this conference go on record as favoring the liberalization of the unemployment compensation program by extending its benefits both to workers now covered and workers who are at present not covered; and

"BE IT FURTHER RESOLVED that merit rating be eliminated from the unemployment compensation program through the repeal of the 'additional credit' provision in the Federal Social Security Act;

"AND BE IT FURTHER RESOLVED that this conference go on record as approving legislation to establish minimum benefit standards and a re-insurance fund to help finance such standards."

### Sugar Quotas for 1941 Announced

The total supply of sugar required to meet consumers' needs for 1941 has been determined by the Department of Agriculture, under the provisions of the Sugar Act of 1937, as amended, to be 6,616,817 short tons, raw value.

On the basis of this determination, the quotas in short tons, raw value, for the various sugar producing areas for 1941, which are established in accordance with certain percentage figures set forth in the Act, and the initial 1940 quotas are as follows:

Area	1941	1940
	Short tons	Short tons
Domestic beet sugar.....	1,549,898	1,550,695
Mainland cane sugar.....	420,167	422,823
Hawaii.....	938,037	943,967
Puerto Rico.....	797,982	803,026
Virgin Islands.....	8,916	8,972
Commonwealth of the Philippine Islands.....	1,006,931	1,036,356
Cuba.....	1,869,060	1,923,680
Foreign countries other than Cuba.....	25,826	26,581
Total.....	6,616,817	6,725,100

### Fruit Cocktail Hearing Announced

Announcement of a hearing for consideration of proposed standards of identity, quality, and fill of container for canned fruit cocktail was made by the Federal Security Agency in the *Federal Register* of December 11.

The hearing on these new proposals, which are advocated by the Canners League of California on behalf of its members, will be held commencing at 10 a. m., January 13, 1941, in Room 3106, South Building, 14th Street and Independence Avenue, S. W., Washington, D. C. All interested persons are invited to attend and present relevant evidence.

Michael F. Markel has been designated as the presiding officer for the hearing. Affidavits in lieu of oral testimony may be delivered to him on or before the date of the hearing at Room 2240, South Building, 14th Street and Independence Avenue, S. W., Washington, D. C. In presenting such affidavits, however, it should be kept in mind that the lack of opportunity for cross-examination will be taken into consideration in determining the weight to be given such statements.

### Amendments to Fruit Standards

Notice of hearing to consider amendments to the standards of quality for peaches, pears, and apricots was made by the Federal Security Agency, in the *Federal Register* of December 11. The hearing will take place commencing at 10 a. m., January 16, 1941, in Room 3106, South Building, 14th Street and Independence Avenue, S. W., Washington, D. C.

The proposals are advocated by the Canners League of California on behalf of its members, and if adopted would amend the standards of quality for these fruits so that, when the form of units of the optional fruit ingredients is mixed pieces of irregular sizes and shapes, such canned fruits fall below such standards of quality and the labels of such canned fruits are required to bear the general statement of sub-standard quality ("Below Standard in Quality. Good Food—Not High Grade.")

Interested persons may present evidence either in person at the hearing, or by affidavit sent to the presiding officer, Michael F. Markel, Room 2240 South Building, Independence Avenue and 14th Street, S. W., Washington, D. C., prior to the date of the hearing. Lack of opportunity for cross-examination will be considered in determining the weight to be given evidence presented by affidavit.

### Financial Statistics for Beet Sugar Refiners

Financial statistics for five of the more important concerns in the beet sugar refining industry were issued this week under the title "Beet Sugar Refining Corporations" by the Federal Trade Commission. This is one of a series of financial reports from a number of industries.

### Pig Iron Price Advanced—Tin Plate Unchanged

A Midwestern producer this week announced an advance of \$1 per ton in pig iron for the first quarter. At the same time, the United States Steel Corporation announced that the price of tin plate will be unchanged at \$5 per base box for the first three months of 1941.



### Fruit and Vegetable Market Competition

#### Carlot Shipments as Reported to the Agricultural Marketing Service by Common Carriers

Carlot shipments of snap and lima beans and of fresh fruits other than citrus were the only fresh commodities competing with canned foods that showed increases during the week ending December 7, 1940, as compared with the corresponding week of 1939.

The following table, compiled from statistics of the Agricultural Marketing Service, gives detailed comparisons of carlot shipments on certain dates of selected vegetables and fruits:

VEGETABLES	Week ending—			Season total to—	
	Dec. 7, 1939	Dec. 7, 1940	Nov. 30, 1940	Dec. 7, 1939	Dec. 7, 1940
Beans, snap and lima.....	75	163	192	7,867	5,955
Tomatoes.....	318	276	226	28,569	22,154
Green peas.....	103	60	192	7,577	6,278
Spinach.....	252	230	141	511	471
Others:					
Domestic, competing directly.....	1,495	1,199	1,054	44,609	41,971
Imports competing indirectly.....	55	62	75	1,194	972
<b>FRUITS</b>					
Citrus, domestic.....	4,687	4,558	4,400	29,187	24,592
Others, domestic.....	471	479	509	47,825	49,003

### New Bulletin on Peas Published

A bulletin on peas has just been published by the Association's Raw Products Bureau and has been mailed to all member pea canners. This publication marks a change in the method followed by the Bureau in reporting to members the recent findings of agricultural workers that relate to crops used by canners. This bulletin discusses only one crop, peas, whereas previous reports have included information on a wide variety of crops for canning. Hereafter, separate bulletins will be issued, each dealing with a single crop, or group of crops, instead of a comprehensive annual report as has been done in recent years.

It is hoped, with this change, that canners and fieldmen will find the information presented on raw products research easier to use and more convenient for reference.

The material in this bulletin includes a somewhat simplified picture of the complicated pea variety situation with comments from pea breeders; excerpts from the latest reports of agricultural experiment stations reflecting current research relating to peas; and a list of publications of interest to pea canners and growers, issued by State and Federal agencies since the publication of report by the Raw Products Bureau in January, 1940.

The Raw Products Bureau will be glad to send members additional copies upon request.

### Control of Truck Crop Diseases

Programs for control of important diseases of truck crops grown in the Tidewater area are contained in Bulletin 104, recently issued by the Virginia Truck Experiment Station at Norfolk. The recommendations contained in the publication are based on years of research and practical experience by the authors, and include descriptions of the diseases affecting asparagus, beans, beets, spinach, tomatoes, and other vegetable crops grown in the region covered.

### Indexes of Employment and Prices

The wholesale price index for all commodities rose .1 of a point during the week ending December 7, 1940, when it was .8 of a point higher than it was a year ago, according to the Bureau of Labor Statistics. The all-foods index rose .6 of a point during the week. The index was 2.6 points above the comparable figure for 1939.

The retail price index for all foods declined .3 of a point from October 15 to November 12, 1940, standing at .8 of a point below the figure for November 1939. Both the fresh and canned fruits and vegetables portions of the index shared in the decline.

The employment and payrolls indexes for all industries rose 2.2 and 4.2 points respectively from September to October 1940, leaving both indexes appreciably above the comparable 1939 levels. The employment and payrolls indexes for the canning and preserving industry showed their usual sharp seasonal declines from September to October, although both were well above the 1939 level of activity for October.

In the following tables, derived from the Bureau of Labor Statistics reports, the employment and payroll indexes are based on the average for the years 1923-25 taken as 100 per cent, the wholesale price indexes have the average for the single year 1926 taken as a base, while for retail prices the average for the years 1935-39 is taken as 100 per cent.

	Employment—			Payrolls—		
	Oct., 1940	Sept., 1940	Oct., 1939	Oct., 1940	Sept., 1940	Oct., 1939
All industries.....	109.9	107.7	103.7	114.2	110.0	101.7
Canning and preserving.....	198.8	268.6	182.1	169.6	231.3	156.0

  

	Wholesale Prices					
	Dec. 7, 1940	Nov. 30, 1940	Nov. 23, 1940	Nov. 16, 1940	Nov. 9, 1940	Dec. 9, 1939
All commodities.....	79.8	79.7	79.5	79.3	78.8	79.0
All foods.....	73.9	73.3	72.8	72.6	71.7	71.3

  

	Retail Prices			
	Nov. 12, 1940	Oct. 15, 1940	Sept. 17, 1940	Nov. 14, 1939
All foods.....	95.9	96.2	97.2	96.7
Fresh fruits and vegetables.....	84.5	86.9	89.4	93.0
Canned fruits and vegetables.....	91.3	91.5	91.9	93.3

### Woman Gives Recipe Leaflets as Christmas Gifts

A recent request to the Service Kitchen of the Association for a number of copies of the five recipe leaflets featuring canned foods, explained that the woman was making oil-cloth recipe folders to cover the recipe leaflets and would give them to her friends as Christmas gifts. The woman explained that she enjoyed using the recipes and wanted her friends to use them too. Her letter asked: "Won't you send thirty copies each of these five booklets so that I may include them in their Christmas gifts?"

### Magazine Reproduces Division's Booklet

"Christmas in Cans" is the title of an article appearing in the December issue of the Ohio Parent Teacher Magazine, published at Greenfield, Ohio. It was adapted in large part from the "Christmas Dinner" leaflet of the Home Economics Division.

## U. S. TO SURVEY MINERALS

### Geologists to Study Deposits of Strategic Metals in South American Countries

The Geological Survey of the Department of the Interior announced this week that eight of its geologists would work in Latin-American countries this winter to survey and study deposits of strategic and vital minerals for the Western Hemisphere defense program. This work will include an investigation of tin, tungsten, and antimony in Bolivia, and tungsten, chromite, manganese, and antimony in other South American countries. The results of these investigations will be made available to agencies of the Federal government as a basis for considering negotiations to aid Latin-American industrial development.

Bolivia is probably the one country in the world that is almost entirely dependent upon a single metal for its economic well-being, according to the Bureau of Mines. Tin constitutes about 80 per cent of Bolivia's export trade.

For the past several years Bolivia's entire production of tin has been sent to European countries, chiefly Great Britain and Holland, for smelting. There are no important smelters in the Western Hemisphere, except one of small capacity in Argentina used for treating local ores.

Recently, however, the Metals Reserve Company, a subsidiary of the Reconstruction Finance Corporation, has entered into a contract, guaranteed by the government of Bolivia, for the annual purchase of 18,000 tons of fine tin from that country, for a period of five years, retroactive as of July 1, 1940. It has been announced that the Reconstruction Finance Corporation will, at an early date, arrange for the construction of a smelter in the United States to smelt the ore.

In normal times, the consumption of tin in the United States is between 70,000 and 80,000 long tons annually, approximately 45 per cent of the world output. In 1939, more than 80 per cent of United States' imports of tin came from Asia, 19 per cent from Europe, and only one per cent from elsewhere.

### Greek Government Establishes Purchase Agency

The Greek government has created an official agency, known as the Greek Supply Office, with branch offices at New York, Alexandria, and Bombay, to expedite the purchase and transportation to Greece of essential foreign products for civilian needs, according to the American Legation at Athens. The activities of the agency will be directed especially to the purchase of foodstuffs both for civilian and fighting forces, but it will not be concerned with other military supplies. Purchases will be made on a commercial basis without adjudication against payment in the United States, or with British funds.

### Source Book of Current Business Statistics

A source book of current business statistics, covering States, cities, counties, and miscellaneous regions and districts in the United States, has been published by the Bureau of Foreign and Domestic Commerce. The bulletin is titled "Sources of Regional and Local Current Business

Statistics" and can be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., for 30 cents per copy.

### 73 Baltimore Wholesale Produce Firms Sign Consent Decree Effecting Wage-Hour Compliance

Nearly 600 employees of 73 wholesale produce dealers in Baltimore, Maryland, will have their hours of work reduced an average of 15 a week without reduction in pay as a result of a consent decree signed in U. S. District Court in Baltimore on Thursday. The consent decree, which brings all the wholesale produce firms in Baltimore into compliance with the wage and hour law, climaxes a mass enforcement drive conducted by the Division in cooperation with the Baltimore Fruit and Produce Association.

Baird Snyder, Acting Administrator of the Wage and Hour Division, in commenting on the decree, said, "the outcome of this case marks an important step in our current campaign to cooperate whenever possible with trade associations in bringing whole sections of industries into compliance with the law at one time. The cooperation of the Baltimore Fruit and Produce Association aided the Division considerably in obtaining prompt disposition of this case to the mutual advantage of employers, employees and the government.

"Division offices throughout the country are currently cooperating with trade associations in a number of industries looking toward mass compliance such as that obtained in Baltimore. We plan to extend this practice wherever it will facilitate enforcement of the law."

### Schedule of State Canners' Conventions

*Northwest Canners Association*, January 8-10, Multnomah Hotel, Portland, Ore.

*Ozark Canners Association*, February 6-7, Colonial Hotel, Springfield, Mo.

*Tennessee-Kentucky Canners Association*, February 10-11, Andrew Johnson Hotel, Knoxville, Tenn.

*Utah Canners Association*, latter part of February, place not chosen.

*Virginia Canners Association*, March 5-6, Hotel Roanoke, Roanoke.

*Canners League of California*, March 6-8, Hotel Del Monte, Del Monte.

### Dr. Eugene Burgess Named to Commerce Post

Dr. Eugene W. Burgess, known to many cannerymen from his work with the Canning Code Authority under the National Recovery Administration, when he was a senior deputy administrator in the Division of Food Industries, has been appointed Assistant to the Under Secretary of Commerce. Dr. Burgess has served as economist and accountant with a number of business firms. For the past year, he has been assistant finance manager of the U. S. Steel Export Co., export arm of the U. S. Steel Corporation.

### Fruits and Vegetables in Cold Storage

#### December 1, 1940, Holdings of Frozen Fruits Drop 10,000,000 Pounds from November 1—Vegetables 2,000,000

December 1 stocks of all varieties of frozen fruits and berries totalled 153,920,000 pounds, indicating a reduction during November of 9,906,000 pounds, according to the monthly cold storage report of the Agricultural Marketing Service.

Stocks of frozen vegetables on December 1, totalling 84,047,000 pounds, were 2,000,000 pounds less than November 1, 1940, holdings, but exceeded those of December 1, 1939, by 8,005,000 pounds.

The following table, compiled by the Agricultural Marketing Service, gives detailed figures and comparisons by varieties on holdings of both fruits and vegetables:

	Dec. 1, 1939	Nov. 1, 1940	Dec. 1, 1940
	1,000 pounds	1,000 pounds	1,000 pounds
<b>FROZEN FRUITS:</b>			
Blackberries.....	6,410	9,128	8,090
Blueberries.....	4,945	6,216	6,746
Cherries.....	24,623	25,227	23,046
Logan and similar berries.....	3,049	5,567	4,450
Raspberries.....	9,140	14,487	13,399
Strawberries.....	40,507	48,162	44,505
Other fruits.....	21,002	31,030	25,736
Classification not reported.....	31,904	23,409	27,948
<b>Total.....</b>	<b>141,580</b>	<b>163,826</b>	<b>153,920</b>
<b>FROZEN VEGETABLES:</b>			
Asparagus.....	6,544	6,624	6,420
Beans, lima.....	15,935	14,877	14,165
Beans, snap.....	6,803	7,264	6,856
Broccoli, green.....	1,730	1,154	2,244
Corn, sweet.....	6,973	5,923	5,910
Peas, green.....	24,026	30,409	30,798
Spinach.....	6,412	4,149	5,511
Other vegetables.....	3,176	6,560	6,117
Classification not reported.....	4,387	3,087	6,026
<b>Total.....</b>	<b>76,042</b>	<b>86,047</b>	<b>84,047</b>

### Missouri Pacific Land Grant Release Approved

Approval of a land grant release claim submitted by the Missouri Pacific Railroad Company, under which it may take advantage of increased rates for certain Government freight and passenger business in territories covered under the release, has been announced by the General Land Office, U. S. Department of the Interior.

Land grant territories covered in the Missouri Pacific release embrace areas traversed by some of that road's predecessors or subsidiaries. The original grantee roads and the location of their land grant covered by the release, are as follows:

Cairo & Fulton Railroad Co., from Birds Point, Missouri, opposite the mouth of the Ohio River, and Cairo, Illinois, by way of Little Rock, Arkansas, to Texarkana, Arkansas.

The Little Rock and Fort Smith Railway Co., between those two cities in Arkansas.

The Pacific Railroad of Missouri, from St. Louis to Pacific, in Missouri.

The Central Branch of the Union Pacific Railroad Company, from Atchison, Kansas, to Waterville, Kansas.

### Stocks and Shipments of Canned Fresh Lima Beans

Stocks of canned fresh lima beans on November 1, 1940, were somewhat smaller than stocks on the corresponding date a year ago, according to figures compiled by the Association's Division of Statistics. Shipments during the past season, from July 1 to November 1, 1940, were almost 90,000 cases larger than during the previous season.

The table below gives figures on stocks and shipments for specified dates:

	Cases	Cases
Stocks November 1, 1940.....	1,371,888	
Sold not shipped.....	588,636	
Unsold.....	783,252	
Stocks July 1, 1940.....	435,219	
Stocks November 1, 1939.....	1,441,011	
Shipments July 1 to November 1, 1940.....	993,117	
Shipments July 1 to November 1, 1939.....	909,101	

In the following table are given figures on carryover, pack, supply, stocks, and shipments of canned lima beans in 1940:

	Stocks July 1 (Carryover) Cases	1940 Pack Cases	Total Supply Cases	Stocks Nov. 1 Cases	Shipments July-Oct. Cases
East.....	222,062	1,496,704	1,718,766	980,109	738,657
West.....	213,157	433,082	646,239	391,779	254,460
<b>Total.....</b>	<b>435,219</b>	<b>1,929,786</b>	<b>2,365,005</b>	<b>1,371,888</b>	<b>993,117</b>

The following table gives figures by regions and can sizes on the 1940 pack of canned fresh lima beans:

Region	24/2 Cases	48/8Z Cases	48/1 Cases	6/10 Cases	Misc. Cases	Total Cases
Maryland.....	168,472	489	6,600	47,765	4,168	227,554
Delaware.....	576,577	12,257	47,647	71,035	47,893	755,409
Other Eastern.....	426,908	10,000	20,359	28,483	27,991	513,741
Mich., Wisc., Ill., Ind.....	238,461	524	29,058	21,527	19,589	309,159
Other Western.....	82,265	.....	16,447	10,481	14,730	123,923
<b>Total U. S.....</b>	<b>1,492,683</b>	<b>23,270</b>	<b>120,171</b>	<b>179,291</b>	<b>114,371</b>	<b>1,929,786</b>

### Government Continues King Crab Fishery Studies

The first expedition conducted by the Fish and Wildlife Service of the Interior Department to study the King crab fishery and the commercial possibilities it offers has returned to Seattle after three months' work. Three vessels, including a floating cannery, were utilized. After re-outfitting during the Christmas season, the expedition will again sail for northern waters, as soon as weather conditions permit, to continue exploratory operations north of the Aleutians and Alaska Peninsula.

Staffed by 40 scientists, economists, and experts in the craft of fishing, the expedition worked the waters south of the Alaskan Peninsula this fall. Primarily, data were sought on seasonal migration of these crabs, their habitat and habits, and proper methods of capture and pack.

"It is too early to say what the prospects in the Gulf of Alaska will be," said Dr. Waldo L. Schmitt, Curator of Marine Invertebrates of the National Museum in Washington, who is scientific head of the expedition. "At this time of year, King crabs are not present in commercial abundance in the area surveyed. It is known that their fields run from the Alaska Peninsula to Southeastern Alaska and extend in increasing quantities up to the Bering Sea. In the latter area is where they should be found in greatest numbers."



A sample of the first pack landed on Alaska before the return of the fleet was sent to Washington where it was tested in the food laboratories of the Service by representatives of wholesale food distributors. They were asked to report to the Government department their opinions on the quality of the product, how well it was packed, whether it retained its color, its flavor, and how well it had been cleaned. Details for its wholesale and retail distribution will not be decided until after the expedition returns next year with the principal portion of the catch.

For many years this country has been an important user of canned crab meat. Importation has come mainly from Japan, whose fishermen have been taking King crabs from Alaskan and Japanese waters on a large scale for better than 10 years, while American fishermen, the Service states, have virtually ignored this important resource in their own waters. In 1939, the United States purchased over \$3,750,000 worth of the Japanese exports, or about half their total production; and, up to October 1940, had purchased over \$3,000,000 worth. This compares with total United States imports of canned crab meat last year of about \$4,500,000.

The sporadic attempts by American industry to develop this fishery in the past have been unsuccessful. This, Service scientists explain, has been due mainly to lack of information concerning the best fishing areas and knowledge of a catching and packing technique. If the present venture proves successful, private firms in the United States may be encouraged to enter this fishery.

#### British-Canadian Agreement Affects U. S. Exports

The British government has agreed to step up food purchases (other than wheat and wheat flour) from Canada in 1941 to a minimum of at least \$105,741,000, compared with purchases of \$63,343,000 in the first nine months of 1940, according to a report of the Division of Foodstuffs, Bureau of Foreign and Domestic Commerce.

English purchases from Canada of five canned food items, the only canned foods in the agreement, will amount to at least \$15,754,000 in 1941, or nearly double the annual purchases of \$8,169,000 worth of those same items during the 1935-39 period. The agreed minimum British purchases from Canada of \$3,750,000 worth of evaporated milk are more than treble the average; canned tomatoes (\$2,653,000 in 1941) more than double; purchases of canned salmon at \$5,538,000 will increase more than one-third, and other canned fish (\$3,145,000) almost treble the 5-year average. English purchases of canned apples, the only fruit item listed, from Canada will total at least \$664,000 in 1941, a figure smaller than the unusually large exports from Canada of this single item during the first six months of 1940.

With respect to products directly competitive with canned foods according to the Foodstuffs Division report, the Canadian Minister stated that Britain places fresh fruits at the bottom of the list of essential foods, desiring to make no purchases of these from Canada. Dried apple exports from Canada to England will make a small increase in 1941 (to \$177,000) and frozen cod-fish will jump from \$67,000 in 1939 to \$3,367,000 in 1941, according to the agreement.

#### WAGE-HOUR INJUNCTION DENIED

##### Peanut Shelling Company Tentatively Held Exempt from Fair Labor Standards Act

In a case involving the status of peanut shelling under the Federal wage and hour law, a Federal District Court in Georgia recently refused the request of the wage and hour administrator for a preliminary injunction restraining a peanut shelling company from violating the minimum wage requirements of the Act.

Administrator Fleming had filed a complaint in the District Court seeking a permanent injunction requiring the peanut company to pay the minimum wages and to keep the records required by the statute. The administrator also requested that the Court issue a preliminary injunction restraining the company from violating the statute pending the trial of the case on its merits.

In denying the preliminary injunction, the Court found that the peanut shelling activities of the company involved are exempt from the statute because these activities are carried on in a well recognized peanut production area (namely, Southwestern Georgia, Southeastern Alabama, and Northern Florida), and that the administrator's definition of "area of production" is invalid as applied to peanut shelling activities in Southwestern Georgia.

In this particular finding, the Court was referring to the provisions of the old "area of production" definition, now superseded, which limited the exemption to companies employing no more than seven people, or companies located in towns of 2,500 or less and obtaining all their raw products from within the ten mile limits. In this preliminary consideration the Court concluded that as applied to peanut shelling in Georgia, the action of the administrator in imposing the seven-employee or 2,500-population and ten-mile restrictions was invalid, and that in the absence of a valid definition, the peanut shelling company was entitled to an exemption and it was the duty of the Court itself to determine the "area of production".

The title of the case is *Fleming v. Farmers Peanut Company* of Cairo, Georgia, in the United States District for Georgia, Middle District, Thomasville Division. It has not yet been learned whether or not the wage and hour administration plans to continue its efforts to obtain an injunction against the peanut company by bringing the case to trial on its merits, or whether an appeal from the denial of the preliminary injunction is planned.

#### British Bidding for California Raisins

Trade reports state that the British, within the past week, have been bidding for 12,000 tons of California raisins, according to the Division of Foodstuffs, Bureau of Foreign and Domestic Commerce. Purchases, it is said, will not exceed 4,000 tons, owing to the low price offered.

#### Bulletin on Citrus World Production and Trade

A bulletin, "Citrus Fruits: World Production and Trade," has been published by the Bureau of Foreign and Domestic Commerce, and will be available for distribution after December 16. Copies can be obtained for 10 cents each from the Superintendent of Documents, Washington, D. C.

## ANTITRUST LAW CHANGES ADVISED

### Creation of Industrial Court, Subpena Power, Heavier Penalties Recommended in Report

Four major changes to provide new machinery for more efficient enforcement of the Sherman Act and the antitrust laws are recommended in a monograph submitted to the Temporary National Economic Committee entitled "Antitrust in Action."

The report, which was made public this week by Senator Joseph C. O'Mahoney, chairman of the Committee, was prepared by Walton Hamilton, professor of law, Yale University Law School and adviser to the Antitrust Division of the Department of Justice, and Miss Irene Till. The monograph recommends to Congress the enactment of legislation to:

1. Create an industrial court of five or seven members, with power to hear and act on all litigation to be brought by the Federal Government involving the Sherman Act and other antitrust laws;
2. Authorize the power of subpena to the Department of Justice;
3. Provide heavier civil penalties for antitrust violations, similar to the O'Mahoney-Hobbs civil remedies bill offered at the last session of Congress;
4. Authorize larger appropriations for the Antitrust Division so that it can more effectively police on a national scale all violations of the antitrust laws.

In urging the creation of an industrial court to handle all antitrust litigation, the monograph in summary says:

"Its bench of five or seven members should be as competent in the usages of business as they are learned in the law. To it should go cases concerned with the Sherman Act and the industrial codes by which it is implemented. It would determine guilt and assess fines, order dissolution and divestment, enjoin unlawful conduct. Instruments of industrial government would come to it for critical scrutiny and a judicial sanction. The judges, sitting singly, would dispose of the run-of-mine business; issues of consequence would go to the full bench. An appeal, strictly limited to questions of law, would lie only to the U. S. Supreme Court. A host of cases, now scattered throughout the courts would be gathered into a single calendar to be handled by jurists competent in matters of the national economy. In time its mounting body of decisions would come to constitute for business a flexible code of public control."

In advocating the subpena power for the Department of Justice, the monograph says:

"It is likewise high time for Antitrust to improve its access to information. For the task of information, Justice should be fitted out with the power of subpena. Access to information would loosen the severities of legal process. It substitutes industrial analysis for the costly, clumsy, erratic process of inquiry by grand jury. It puts the criminal action and the plea in equity upon an equality and enables the choice between them to be made upon fitness for the instant case. It allows the more constructive way to be taken where the real issue is the correction of trade practice. It obviates the urge to prosecute where the activities in question correspond so crudely to the norm of a crime."

In urging heavier penalties, such as the O'Mahoney-Hobbs bill, the report says:

"But if equity is to be the main reliance, it must deter as well as correct. A public case in tort should be grafted upon the equity process. To be effective, the section on penalties must be rewritten. A \$5,000 penalty will hardly kill off a conspiracy that promises to net \$5,000,000. It also

does little good to limit the fine to the offending corporation when acts of restraint are decreed by officials. If a company were made to forfeit twice its net income, and its ranking officials twice their salaries, for the period of violation, the hazard would become a factor of consequence in the making of policy."

In explaining the need for larger appropriations for the Antitrust Division of the Department of Justice, the monograph says:

"The national economy is the instrument of general welfare; its industries perform a public office and are affected with a public interest. To facilitate this, Antitrust should be provided with funds adequate to the magnitude of its task. Its office is to police the national economy, and an appropriation shaped by the ideas of the nineties no longer fits the modern world. It would still have to deter by example rather than prosecute all offenders, but the samples should be numerous and varied enough to cover the industrial front."

A number of other monographs in which the industry may be interested were noted on page 6381 of INFORMATION LETTER No. 813. The studies are the work of economists and experts in the government departments and do not necessarily express the views of the Temporary National Economic Committee, although prepared for the Committee's use.

Copies of this report, TNEC monograph No. 16, may be purchased from the Superintendent of Documents, Government Printing Office. Copies are on file for inspection by interested persons at the Library of Congress and the office of the Executive Secretary, TNEC, 281 Federal Trade Commission.

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